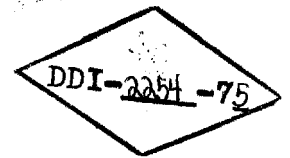


ADMINISTRATIVE INTERNAL USE ONLY



August 25, 1975

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting of the ARA Interagency Working Group
on International Narcotics Control

1. The Inter-American (ARA) International Narcotics Control Committee met on 25 August under the chairmanship of George Brown, the regional coordinator. The meeting was called to review the proposed Narcotics Control Action Plans for Peru, Ecuador, and Brazil for FY-1977. The meeting was attended by representatives from the Department of State, DEA, OMB, AID, USIA, Customs, CIA, and from the Office of the Senior Advisor to the Secretary of State for Narcotics Matters (S/NM).

2. Chairman Brown introduced the session with general remarks concerning the countries under review. He noted particularly the generally strained relations between Peru and the US; and emphasized the lack of awareness in Peru to the existence of any present or potential national drug abuse problem in that country. This attitude has limited the impact of the US program in Peru. He assured, however, that the Embassy is taking every opportunity to raise the NARC issue at all levels of contact.

3. Peru, as the world's largest producer of coca--the plant from which cocaine is derived--is the prime source of the illicit cocaine reaching this country. Peru is sometimes viewed as the touchstone of the US Government's anti-drug effort in Latin America. About half of the coca crop grown in Peru is believed to find its way into the illicit market and could have a street value in the US of nearly \$2 billion. Peru is also an important transit country for opiates.

ADMINISTRATIVE INTERNAL USE ONLY

DOJ Review Completed

State Dept. review completed

ADMINISTRATIVE INTERNAL USE ONLY

4. The primary goal of the NCAP for Peru is to increase the political commitment of the Peruvian Government to closer bilateral cooperation in the anti-drug program. Efforts are being made to increase the exchange of information as well as the coordination of policy and operations.

5. During the discussion, the question of priorities was raised because Peru is a cocaine producing area; the top priority of the narcotics control program has always been opium and its derivatives. The Domestic Council currently has under review the overall question of priorities, but the more debilitating drugs, such as the opiates, apparently will continue to get top billing, although there may be some shifting of resources as marihuana, barbiturates, and amphetamines gain more attention. Mary Wampler (AID) observed that the general shifting of attention to the high priority drugs will strongly influence the funneling of funds into the narcotics control effort.

6. Following a rather lengthy discussion of the issues, including UN activities in the control effort and the effectiveness of the Peruvian customs service, it was decided by consensus, with AID dissenting, to recommend to the Embassy in Lima to move ahead with the Peru program for 1976 and to approve in principle the proposed Operation Funnel, a trial program aimed at curbing illicit traffic in cocaine. Apparently this operation is important to the overall control effort in the tri-state area which includes Peru, Ecuador, and Colombia.

7. Although the NCAP was approved generally, it was decided by the Committee to query the Embassy further on the long-range control program for Peru. It was noted in passing that, if the Mexican control program becomes effective, other regional countries will most likely become major transit routes for opiates destined for the United States. The Committee further decided to recommend a continuation of the UN interest in the narcotics situation in Peru because it might, at some future date, be needed as a cover for other narcotics control activities in the area.

8. The NCAP for Ecuador did not inspire as much discussion as the proposed program for Peru. Basically, it is felt that the general environment in which the Embassy operates in Ecuador is more favorable for closer cooperation on the narcotics problem. Furthermore, the narcotics problem in Ecuador is not as serious as in some of the neighboring countries.

ADMINISTRATIVE INTERNAL USE ONLY

ADMINISTRATIVE INTERNAL USE ONLY

9. Ecuador is not a source country; however, it is a processing country and is rapidly becoming a significant transit country. Large quantities of cocaine sulphate move freely into Ecuador from Peru because of the ineffective border controls. The State Desk officer on Ecuador supported the proposed NCAP for Ecuador and feels that the program there is now showing some momentum after going through a somewhat hesitant transitional period.

10. Questions were raised over the size of the proposed program; and there was some reservation over whether the Ecuadorean police administration is suitably staffed to implement it. It was proposed that the development of a more effective police staff structure be made a contingency in developing the proposed program. The consensus of the group was that the program as outlined is too ambitious and should be reduced. The Desk officer urged that specific areas be highlighted for improvement rather than merely to request an undirected reduction of the program. The Chairman finally took the position that the enforcement aspects of the proposed program could not be approved as drafted and suggested that the Embassy be asked for further justification for the program as proposed.

11. With AID dissenting, the Committee approved the requested operating funds and the suggested educational program, as a one time effort, to increase public awareness in Ecuador of the ramifications of the broader regional narcotics problem. It was further decided to ask the Embassy to sharpen its priorities and to review the record it had submitted on seizures as some of the statistics appeared to be in conflict.


12. Action on the Brazil NCAP was postponed until outstanding agreements between the US and Brazil concerning narcotics control can be reviewed to determine whether further authorization is necessary. Although the program proposed for Brazil appears to be an ambitious one, necessitating a substantial increase in funding, many of the funds may already be allocated. The DEA representative commented that the Brazil program could be cut back if Congress decides to limit the ongoing narcotics control program generally.

13. One point of some controversy was the proposed funds for "Development of Intelligence." The representative from Ambassador Vance's office felt that the proposed funds could only be included in the Operational Support costs if they were to be used for training. If they were intended for the actual

ADMINISTRATIVE INTERNAL USE ONLY

development of intelligence on narcotics, then this activity could not be funded from CCINC funds. This point remains to be clarified.

14. Because of the outstanding questions, the Brazil NCAP was held over until the 8 September meeting of the Inter-Agency Committee which is being called to discuss the NCAPs for Mexico and Colombia. 25X1



DDI Coordinator on International
Narcotics Matters

Distribution:

Orig - DDI/GINM Chrono

✓ 1 - DDI

1 - D/OCI


1 - LA Interagency file

ADMINISTRATIVE INTERNAL USE ONLY